USING SOA TO DRIVE STRATEGY

Richard Firth

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"Rome wasn't built in a day!"

Gartner has compiled a list of 10 business priorities for the Chief Executive and Information Officers.

CEO's:

- ✓ Customers;
- ✓ Improving productivity;
- ✓ Cutting costs;
- ✓ Market share;
- ✓ Responsive organisation;
- ✓ Technology;
- ✓ Strategy;
- ✓ Core competencies;
- ✓ Innovation; and
- ✓ Employees.

CIO's:

- ✓ Security breaches/business disruption;
- ✓ Operating costs/budgets;
- ✓ Data protection and privacy;
- ✓ Need for revenue growth;
- ✓ Use of information in products;
- ✓ Economic recovery;
- ✓ Faster innovation;
- ✓ Single view of the customer;
- ✓ Transparency in reporting; and
- ✓ Risk management.

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Gartner Summary

✓ CEOs do not see IT as a top priority.

✓ CEOs and CIOs disagree about the primary business concerns.

IT trends for 2007

- ✓ Top 10 IT outsourcers decline from 43.5% to 40%.

- ✓ End 2007 75% of enterprises will be infected with MALWARE:
  - ✓ undetectable,
  - ✓ financially motivated
  - ✓ targeted.

- ✓ Monolithic software releases will come to an end.

- ✓ TCO of new PCs will fall by 50% by 2010.

- ✓ 60% of worlds Cellular phones will be "trackable" by emerging "follow-me Internet".

- ✓ Enterprise will waste U$ 100-billion on incorrect networking technologies and services.

- ✓ 50% of of all data centres worldwide will lack the correct cooling and power capacity.

Gartner

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The "NOW ERA"

"Strategic Management Concepts and Cases".

✓ Crafting strategy is partly an exercise in entrepreneurship, seeking to do new things or old things in new ways.

✓ How quickly companies manage adaptation to market changes, how boldly they chase business opportunities, how much they emphasise out-innovating the competition and how often they champion actions to improve organisational performance, are good barometers of a businesses entrepreneurial spirit.

by Thompson and Strickland

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Strategy conflicts with the term "Best Practice".

Dick Fosbury

The "NOW ERA"

Identify the Inhibitors

✓ Niche inflexible packages.

✓ Cannot bill or justify what it is really worth.

✓ License Fees.

✓ Networks.

✓ Create an innovative environment. Google!

✓ Flexi-time for techies.

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Identify the Inhibitors

✓ What are the Business inhibitors?

✓ Allow all users to request changes.

✓ New businesses started by frustrated employees.

✓ Choose the quick wins.

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What do we do?

- ✓ IT "ENABLES" competitive advantage.
    - ✓ Define and build "The Enterprise Architecture".
    - ✓ Time versus visible business benefit.
    - ✓ Build a "repeatable" framework.
    - ✓ Service-Orientated Architecture. Choose your battles.
    - ✓ Software-as-a-service. A payment model.
    - ✓ Web as a service not a static advert.
    - ✓ Digitizing processes and customer feedback.
    - ✓ Call Centre and Workflow. Getting services to communicate inside and outside the architecture.

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Services

Build

Customise Package

Package

Identify the customer NEEDS!

- ✓ Shorter claims cycle.
- ✓ Track claims online.
- ✓ Customers to view their net worth in real time.
- ✓ Financial advisors portal.
- ✓ Transparency surrounding products and services.
- ✓ Overly complex product design.
- ✓ Greater choice and flexibility, both between and within products.
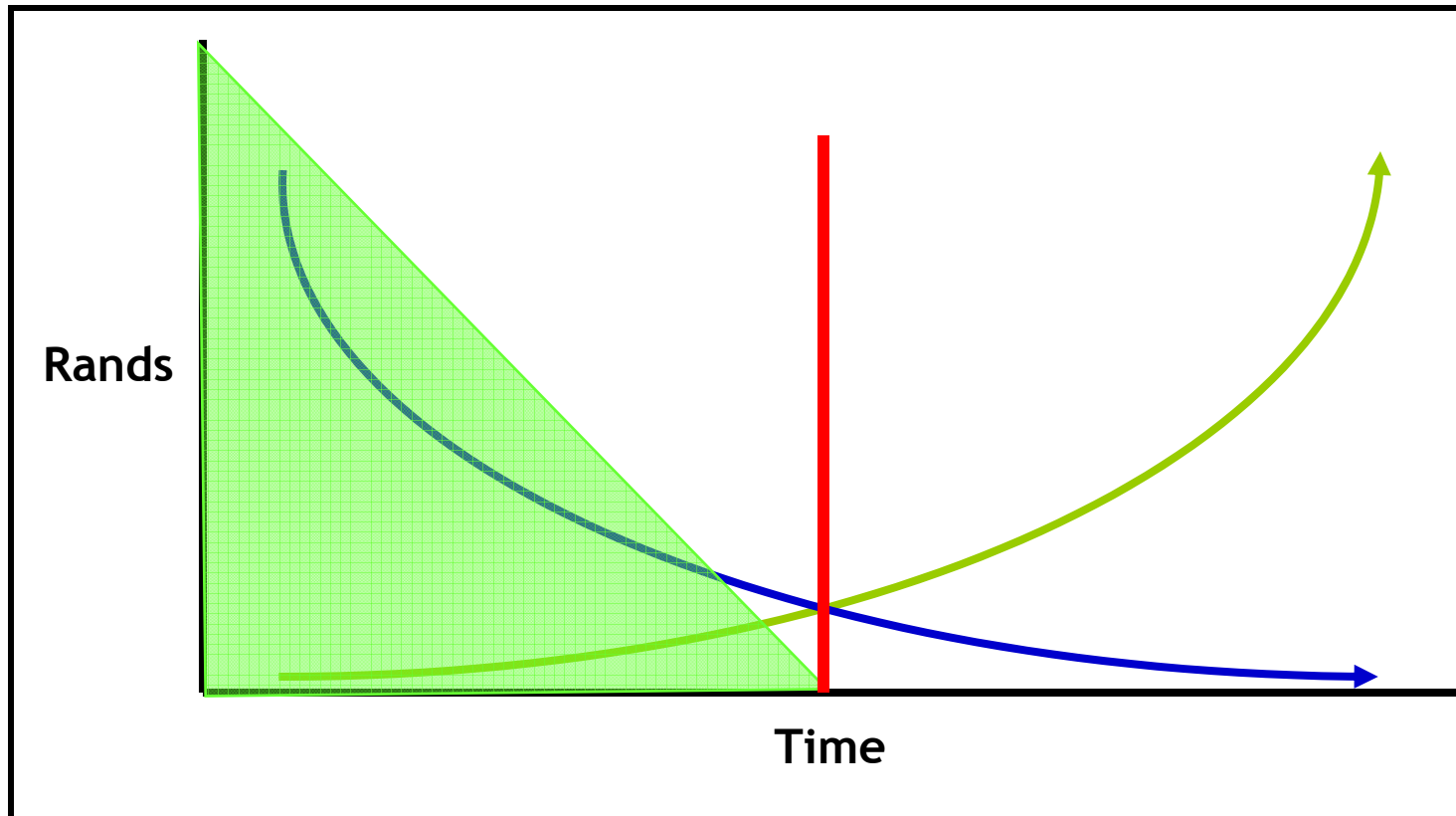- ✓ New products for the un-insured

ITWEB INFORMATICA

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Quick Wins

- ✓ 4 months to 3 days for new product set up.
  - ✓ Business more flexible.
  - ✓ Change quickly to market conditions.
  - ✓ Entry level market became viable.
  - ✓ Cost per policy reduced dramatically
  - ✓ Business was able to experiment.
  - ✓ Techies focused on adding value.
  - ✓ IT billed on per policy per month.
  - ✓ Directly aligned with the business.
  - ✓ Deliver forms to market before product set up.

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Measure successes

Savings vs Service Delivery

South African IT

Regulation is driving a unique business environment

Any Questions